

"NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVERS' LICENSE NUMBER."

AFTER RECORDING RETURN TO:

Kathleen Stewart
City of Frisco, Texas
6101 Frisco Square Blvd.
Frisco, Texas 75034

COUNTY OF DENTON §
§
STATE OF TEXAS §

ANNEXATION AGREEMENT

This Annexation Agreement ("Agreement") is made and entered into as of this _____ day of _____, 2013, ("Effective Date") by and between the City of Frisco, Texas, ("City") and the VENINGA INVESTMENT COMPANY, A Texas General Partnership, and all of its General Partners: DOLORES MARIE VENINGA, LOUISE ANN VENINGA, FREDERICK WILLIAM VENINGA, JR., THE ANN KRAMER MANAGEMENT TRUST dated effective July 29, 2011, John Eichholtz Kramer, III, Trustee, FRANCIS DAVID VINCENT VENINGA, KAREN HELEN VENINGA DRISCOLL, THE LOUISE A. VENINGA CHILDREN'S TRUST I dated June 22, 2005, Benjamin R. Zaricor, Trustee; and the VENINGA CHILDRENS TRUST, Karen Veninga Driscoll, Trustee (collectively "Owners") on the terms and conditions hereinafter set forth.

WHEREAS, Owners own approximately 40.569 acres, more or less, situated in the E. B. Hawkins Survey, Abstract No. 581, Denton County, Texas, which is more particularly described in **Exhibit "A"**, attached hereto and incorporated herein for all purposes ("Property"); and

WHEREAS, City and the Owners desire that the Property be developed as set forth herein; and

WHEREAS, pursuant to Section 43.035 of the Texas Local Government Code, City desires to annex certain lands including the Property; and

WHEREAS, pursuant to Section 212.172 of the Texas Local Government Code, City is authorized to make a written contract with an owner of land that is located in the extraterritorial jurisdiction of the municipality for purposes set forth in that section; and

WHEREAS, the parties desire to agree on the matters set forth in this Agreement pursuant to Section 212.172 of the Texas Local Government Code and for the purposes set forth in that section.

NOW, THEREFORE, in consideration of the mutual benefits and premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Owners agree as follows:

1. Land Subject to Agreement. The land that is subject to this Agreement is the Property. Owners represent that they are the sole owners of the Property.

2. Prior Annexation Agreement. The City and Owners acknowledge and agree that the prior annexation agreement executed by the parties and effective August 18, 2009, and recorded under CC# 2009-116763, Real Property Records of Denton County, Texas, is declared null and void and of no effect from the Effective Date of this Agreement.

3. Use and Development. The use and development of the Property before and after annexation shall conform to all City ordinances, rules, regulations and requirements, as they exist, may be amended or in the future arising, relating to or affecting the Property. Prior to annexation, the Property shall be considered to be zoned agricultural. Pursuant to Sections 43.035(b)(1)(B) of the Texas Local Government Code, the City is authorized to enforce all of the City's regulations and planning authority that do not materially interfere with the use of the Property for agriculture use, in the same manner the regulations are enforced within the City's boundaries. The barn and shed existing on the Property on the Effective Date of this Agreement shall be deemed legal nonconforming uses and/or structures as defined and regulated under the City Zoning Ordinance No. 11-04-09, as it exists or may be amended.

4. Annexation and Zoning. City will not annex the Property, unless requested to do so by Owners, during the term of this Agreement provided that Owners comply with the terms and conditions of this Agreement. The parties agree that City, in its sole discretion, shall determine whether Owners are in compliance with the Agreement and whether it will approve annexation of the Property. Simultaneously with the termination of this Agreement City and Owners agree that City may, in its sole discretion, initiate annexation proceedings for the Property.

5. Impact Fees. During the term of this Agreement, the Property is subject to impact fees adopted by Ordinance No. 12-03-12, as it exists or may be amended, as if the Property was located within the City's corporate boundaries.

6. Other Development Fees. City ordinances covering park dedication and/or payment in lieu of dedication of land, utility rates, permit fees and the like are not affected by this Agreement and shall be applied to the Property as if the Property was located within City's corporate boundaries during the term of this Agreement. Further this Agreement does not waive or limit any of the obligations of Owners to City under any other ordinance, whether now existing or in the future arising.

7. Term. This Agreement is an agreement authorized by Section 212.172 of the Texas Local Government Code. The term of this Agreement shall be six (6) years from the

Effective Date. The term of this Agreement shall not be affected by the fact that some or all of the Property is annexed into the corporate limits of City.

8. Default. If any party breaches any of the terms of this Agreement, then that party shall be in default ("Defaulting Party") of this Agreement ("Event of Default"). If an Event of Default occurs, the non-defaulting party shall give the Defaulting Party written notice of such Event of Default, and if the Defaulting Party has not cured such Event of Default within thirty (30) days of said written notice, this Agreement is breached. Each party is entitled to all remedies available to it at law or in equity.

In addition to the above, the Owners acknowledge that if any plat or related development document is filed in violation of this Agreement, or if the Owners commence development of the Property in violation of this Agreement, then the City shall not be required to provide written notice of that Event of Default and in addition to the City's other remedies, such act will constitute a petition for voluntary annexation by the Owners, and the Property will be subject to annexation at the discretion of the City Council. The Owners agree that such annexation shall be voluntary and the Owners hereby consent to such annexation as though a petition for such annexation had been tendered by the Owner.

If annexation proceedings begin pursuant to this Section, the Owner acknowledges that this Agreement serves as an exception to Local Government Code Section 43.052, requiring a municipality to use certain statutory procedures under an annexation plan.

9. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered, whether or not actually received, when deposited in the United States Mail, postage pre-paid, certified mail, return receipt requested, addressed to either party, as the case may be, at the addresses contained below:

If to City:

City of Frisco
6101 Frisco Square Boulevard, Frisco, Texas 75034
Attn: George Purefoy, City Manager
Phone: 972-292-5105
Fax: (972) 292-5122

With a copy to:

Richard Abernathy
Abernathy, Roeder, Boyd & Joplin, P.C.
1700 Redbud, Suite 300
McKinney, Texas 75069
Phone: (214) 544-4000
Fax: (214) 544-4040

If to Owners:

Veninga Investment Company
% Francis D. Veninga, M.D.
Managing Partner
6315 Glendora Avenue
Dallas, Texas 75230-5122

Francis David Veninga, M.D.
6315 Glendora Avenue
Dallas, Texas 75230-5122

Veninga Childrens Trust
Karen Veninga Driscoll, Trustee
5107 25th Road North
Arlington, Virginia 22207-2628

Frederick W. Veninga, Jr.
101 Myers Avenue
Frisco, Texas 75034

Karen Veninga Driscoll
5107 25th Road North
Arlington, Virginia 22207-2628

Dolores Marie Veninga
13342 Wimberley Drive
Frisco, Texas 75035-9127

Ann Kramer Management Trust
dated effective July 29, 2011
% John Eichholtz Kramer, III, Trustee
13301 Tamayo Drive
Austin, Texas 78729

Louise Ann Veninga
4300 North Rodeo Gulch
Soquel, California 95073

Louise Veninga Zaricor Children's Trust I
dated June 22, 2005
% Benjamin Zaricor, Trustee
4300 North Rodeo Gulch
Soquel, California 95073

10. Miscellaneous.

(a) Assignment. This Agreement is assignable. If all or any portion of the Property is transferred, sold or conveyed, the Owners shall give notice immediately to City of the name, address, phone number and contact person of the person or entity acquiring an interest in the Property. This Agreement shall run with the land and shall be binding on and inure to the benefit of the Owners' successors and assigns.

(b) Compliance with Ordinances. Except as provided for in this Agreement, the parties agree that the Owners shall be subject to all ordinances of City. All construction will be in accordance with applicable ordinances and regulations of City, whether now existing or in the future arising.

(c) Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the mutual written agreement of the parties hereto.

(d) Venue. This Agreement shall be construed in accordance with the laws of the State of Texas and shall be performable in Collin County, Texas. Exclusive venue shall be in Collin County, Texas.

(e) Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

(f) Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

(g) Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

(h) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

(i) Savings/Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision thereof, and this

Agreement shall be construed as if such invalid illegal or unenforceable provision had never been contained herein.

(j) Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

(k) Sovereign Immunity. The parties agree that City has not waived its sovereign immunity by entering into and performing their respective obligations under this Agreement.

(l) Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document

(m) Incorporation of Recitals. The Recitals above are incorporated herein as if repeated verbatim.

(n) No Chapter 245 Permit. This Agreement, and any requirement contained in this Agreement, shall not constitute a "permit" as defined in Chapter 245, Texas Local Government Code. **THIS PARAGRAPH SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the ____ day of _____, 2013.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

AGREED AND ACCEPTED:

CITY OF FRISCO, TEXAS

By: _____
George Purefoy, City Manager

THE STATE OF TEXAS §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared George Purefoy, City Manager for and on behalf of the CITY OF FRISCO, TEXAS, a Texas municipal corporation; he acknowledged to me he is the duly authorized representative of the City of Frisco, Texas and that he executed said instrument for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2013.

Notary Public, State of Texas
My commission expires: _____

VENINGA INVESTMENT COMPANY, A Texas general partnership,

By: _____,
Francis David Veninga, M.D., its Managing Partner

STATE OF TEXAS §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared Francis David Veninga, M.D., as Managing Partner of Veninga Investment Company, a Texas general partnership, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me he executed said instrument for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE

this _____ day of _____, 2013.

Notary Public in and for the State of Texas

My Commission expires: _____

Frederick William Veninga, Jr.

STATE OF TEXAS §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared Frederick William Veninga, Jr., known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me he executed said instrument for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE
this _____ day of _____, 2013.

Notary Public in and for the State of Texas
My Commission Expires: _____

Francis David Vincent Veninga

STATE OF TEXAS §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared Francis David Vincent Veninga, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me he executed said instrument for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE
this _____ day of _____, 2013.

Notary Public in and for the State of Texas
My Commission Expires: _____

Dolores Marie Veninga

STATE OF TEXAS §
COUNTY OF §

BEFORE ME, the undersigned authority, on this day personally appeared Dolores Marie Veninga, known to me to be the person whose name is subscribed to the foregoing instrument; she acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE
this ____ day of _____, 2013.

Notary Public, State of Texas
My Commission Expires: _____

Karen Veninga Driscoll

COMMONWEALTH OF VIRGINIA §
COUNTY OF ARLINGTON §

BEFORE ME, the undersigned authority, on this day personally appeared Karen Helen Veninga Driscoll, known to me to be the person whose name is subscribed to the foregoing instrument; she acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE
this ____ day of _____, 2013.

Notary Public, Commonwealth of Virginia
My Commission Expires: _____

Karen Veninga Driscoll, Trustee, Veninga Children's Trust

COMMONWEALTH OF VIRGINIA §
COUNTY OF ARLINGTON §

BEFORE ME, the undersigned authority, on this day personally appeared Karen Helen Veninga Driscoll, as Trustee of the Veninga Children's Trust, known to me to be the person whose name is subscribed to the foregoing instrument; she acknowledged to me that she is the duly authorized representative of the Veninga Children's Trust and that she executed the same for the purposes and consideration therein expressed, in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE
this ____ day of _____, 2013.

Notary Public, Commonwealth of Virginia
My Commission Expires: _____

Louise A. Veninga

STATE OF CALIFORNIA §
COUNTY OF §

BEFORE ME, the undersigned authority, on this day personally appeared Louise A. Veninga, and known to me to be the person whose name is subscribed to the foregoing instrument; she acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE
this ____ day of _____, 2013.

Notary Public, State of California
My Commission Expires: _____

Benjamin Zaricor, Trustee of the Louise A. Veninga
Children's Trust I dated June 22, 2005

STATE OF CALIFORNIA §
COUNTY OF §

BEFORE ME, the undersigned authority, on this day personally appeared Benjamin Zaricor, as Trustee of the Louisa A. Veninga Children's Trust I dated June 22, 2005, known to me to be the person whose name is subscribed to the foregoing instrument; he acknowledged to me that he is the duly authorized representative of the Louise A. Veninga Children's Trust I dated June 22, 2005, and that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE
this ____ day of _____, 2013.

Notary Public, State of California
My Commission Expires: _____

John Eichholtz Kramer, III, Trustee of the Ann Kramer
Management Trust dated effective July 29, 2011

STATE OF TEXAS §
COUNTY OF §

BEFORE ME, the undersigned authority, on this day personally appeared John Eichholtz Kramer, III, as the Trustee of Ann Marie Kramer Management Trust dated effective July 29, 2011, known to me to be the person whose name is subscribed to the foregoing instrument; he acknowledged to me that he is the duly authorized representative of the Ann Marie Kramer Management Trust dated effective July 29, 2011, and that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE
this ____ day of _____, 2013.

Notary Public, State of Texas
My Commission Expires: _____

Exhibit "A"

Situated in Denton County, Texas and part of the E.B. Hawkins Survey, Abstract No. 581 and being part of a 100 acre tract described by Deed from M.E. Currie et ux, Genevieve to Jewell Abernathy, recorded in Volume 565, Page 325 of the Denton County Deed Records and being more fully described as follows:

BEGINNING at an iron stake in the Southeast corner of the said tract in the Denton-Collin County Line;

THENCE North 0 degrees 01 minutes East with an established fence and hedge row along the east line of the said tract a distance of 1739.5 feet to an iron stake in the South right-of-way line of U.S. Highway 380;

THENCE South 88 degrees 43 minutes West with the South right-of-line of the highway a distance of 1026.5 feet to an iron stake;

THENCE South 0 degrees 24 minutes 27 seconds East a distance of 1725.99 feet to an iron stake in the South line of the said tract;

THENCE North 89 degrees 28 minutes East with an established fence along the South line of the tract a distance of 1013.5 feet to the Place of Beginning containing 40.569 acres of land.